

JUL 02 2009

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Helena, MT 59601
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Attorney for Montana Securities Department

BEFORE THE STATE AUDITOR
EX-OFFICIO COMMISSIONER OF SECURITIES
HELENA, MONTANA

IN THE MATTER OF)	CASE NO. 03-16-09-284 I
)	
RONALD MOSCHETTA,)	
)	
individually and in his capacity as a)	
securities salesperson for Strasbourger)	
Pearson Tulcin Wolff Inc., and)	
)	
STRASBOURGER PEARSON TULCIN)	
WOLFF INC.)	NOTICE OF PROPOSED AGENCY
600 Old Country)	DISCIPLINARY ACTION
Garden City, NY 11,)	AND OPPORTUNITY FOR HEARING
)	
)	
)	
)	
Respondents.)	

Staff of the Securities Department (Department) of the office of the State Auditor as Commissioner of Securities of the state of Montana (Commissioner), pursuant to the authority of the Securities Act of Montana, §§ 30-10-101, *et seq.*, MCA (2007), is proposing to the Commissioner that she take specific action against Ronald Moschetta (Moschetta) and Strasbourger Pearson Tulcon Wolff Inc. (Strasbourger), with its principal place of business located at 600 Old Country, Garden City, NY 11530, named above for violations of the Montana Securities Act and the Montana Insurance Code. The Commissioner has authority to take such action under the provisions of Sections §§ 30-10-102, 30-10-107, 30-10-201, 30-10-301, 30-10-304, 30-10-305, 30-10-307, and 30-10-309, (2007) MCA.

In particular, the Securities Department (Department) staff is recommending specific action against Moschetta and Strasbourger including imposition of appropriate fines, appropriate restitution with interest and revocation or suspension of Respondents' registrations and licenses pursuant to the provisions of the Montana Securities Act.

Service of process is pursuant to §§ 30-10-107 (8), MCA.

REASONS FOR ACTION

There is probable cause to believe that the following facts, if true, justify and support such specific action.

ALLEGATIONS

1. The time period relevant to this action is February 26, 2007 through the present.

2. Strasbourger Pearson Tulcin Wolff Inc., is a broker-dealer firm with a principal place of business at 600 Old Country Road, Suite 318, Garden City, NY 11530. The firm has never been registered in Montana pursuant to the requirements of Montana's Securities Act.

3. From February 2008 through February 2009 Mochetta and Strasbourger made unregistered, solicited securities transactions with Montana residents a total of 7 times resulting in a loss of \$51,170.06 for the Montana residents.

4. The transactions are outlined below and identify the security and loss incurred.

Client	Purchased	Description	Symbol	Initial Price	Close a/o 3/18/2009	Gain/Loss
Investor 1	1000	Freddie Mac General	FRE	\$ 4.83	\$ 0.82	\$ (4,829.18)
Investor 1	1000	Motors	GM	\$10.52	\$ 2.64	\$ (10,517.36)
Investor 1	1500	Micron Technology	MU	\$ 4.23	\$ 3.77	\$ (6,341.23)

Investor 1	100	Teco Energy General Motors Deb	TE	\$16.02	\$11.12	\$ (1,590.79)
Investor 1	25000	8.375 7/15/33 General Motors Deb	GM.HB	\$ 51.75	\$13.25	\$ (12,924.25)
Investor 1	25000	8.375 7/15/33 General Motors Deb	GM.HB	\$ 37.85	\$13.25	\$ (9,449.25)
Investor 2	50000	8.375 7/15/33 General Motors Deb	GM.HB	\$ 22.13	\$13.25	\$ (5,518.00)
						\$(51,170.06)

5. On or about April 24, 2009, Mochetta and Strausbourger entered into a consent agreement with the State of Montana in which they were required to pay a \$2,000 fine to the State of Montana and offer rescission to the Montana investors affected.

6. Mochetta and Strausbourger sent a check to the State of Montana for \$2,000 which was returned due to insufficient funds.

7. The State sent a rescission letter to the Montana investors and received a written request for rescission.

8. A copy of the rescission request was sent to both Mochetta and Strausbourger.

9. On or about June 8, 2009, the Department received notice that the \$2,000 check from Strausbourger to the State of Montana bounced. The check was returned due to insufficient funds in the firm's account.

10. After the bounced check was discovered, the Department contacted Strausbourger and Mochetta, asking them to wire the money the same day which he refused to do.

11. Due to the fact that neither the firm nor Mr. Mochetta could cover

the financial obligations arising from the consent agreement they willingly entered into, the Department, in an attempt to further protect Montana consumers, implemented this action against both Mochetta and Strausbourger, and moves to deny registration to both.

CONCLUSIONS OF LAW

1. The Montana State Auditor is the Commissioner of Securities (Commissioner) pursuant to §§ 30-10-107, 2-15-1903 MCA.

2. The Commissioner has jurisdiction over this matter pursuant to §§ 30-10-102, 30-10-107, 30-10-201, 30-10-301, 30-10-304, 30-10-305, and 30-10-307, MCA.

3. The administration of the Securities Act of Montana, §§ 30-10-101, *et seq.*, MCA, and is under the supervision and control of the Securities Commissioner. Section 30-10-107, MCA.

4. Strausbourger violated §§ 30-10-201(13)(k), MCA, by failing to reasonably supervise Mochetta.

5. Mochetta and Strasbourger violated §§ 30-10-201(13)(i), MCA, by failing to comply with a consent agreement entered into with the Department.

RELIEF SOUGHT

1. Order Mochetta and Strasbourger to pay restitution to the victims in this case, including 10% interest from the date of the wrong-doing, pursuant to §§ 30-10-309, MCA.

2. Order Respondent Mochetta to pay fines not to exceed \$5,000 for each identifiable violation of § 30-10-301(1)(b), MCA, pursuant to §§ 30-10-305(3), MCA.

3. Order Respondent Strasbourger to pay fines not to exceed \$5,000 for each identifiable violation of § 30-10-301(1)(c), MCA, pursuant to §§ 30-10-305(3), MCA.

4. Order Respondents Mochetta and Strasbourger's registration and license in Montana suspended and/or denied for violating the provisions of §§ 30-10-301(1)(b), MCA, and §§ 30-10-301(1)(c), MCA, pursuant to §§ 30-10-201(13)(b), MCA.

5. Any other such relief allowed by law or required by justice.

PUBLIC INTEREST

For any and all of the reasons set forth above, it is in the public interest and will protect Montana investors and Montana insurance customers to:

1. Issue a cease and desist order barring Moschetta and Strasbourger from further violations of the Act;

2. Order Moschetta and Strasbourger to pay administrative fines in an amount and upon such terms and conditions as supported by the evidence and determined at hearing of this matter;

3. Order Moschetta and Strasbourger to pay restitution to Investors in an amount and upon such terms and conditions, including the statutory 10% per annum interest on the losses Investors incurred, as supported by the evidence and determined at hearing of this matter; and

4. Take such other actions which may be in the public interest and necessary and appropriate for the protection of Montana investors.

STATEMENT OF RIGHTS

You are entitled to a hearing to respond to this notice, present evidence and arguments on all issues involved in this case. You have a right to be represented by an attorney at any and all stages of this proceeding. You may demand a formal hearing before a hearing examiner appointed by the Commissioner pursuant to the Montana

Administrative Procedure Act, §§ 2-4-601, MCA, et seq., including §§ 2-4-631, MCA. If you demand a hearing, you will be given notice of the time, place and the nature of the hearing.

If you want to contest the proposed action under the jurisdiction of the Commissioner, you must advise the Commissioner within 15 days of the date you receive this notice. You must advise the Commissioner of your intent to contest the proposed action by writing to Russell Wheat, Special Assistant Attorney General, State Auditor's Office, 840 Helena Avenue, Helena, Montana 59601. Your letter must clearly indicate whether you demand a hearing, or whether you waive formal proceedings and, if so, what informal proceedings you prefer for disposition of this case. Pursuant to §§ 2-4-603(2), MCA, you may not request to proceed informally if the action could result in suspension, revocation, denial, or any other adverse action against a professional license.

Should you request a hearing, you have the right to be accompanied, represented, and advised by counsel. If the counsel you choose has not been admitted to practice law in the state of Montana, he or she must comply with the requirements of Application of American Smelting and Refining Co., 164 Mont. 139, 520 P.2d 103 (1973).

CONTACT WITH SECURITIES COMMISSIONER'S OFFICE

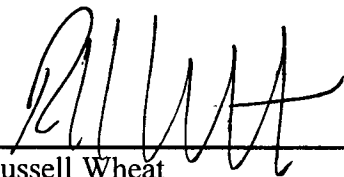
If you have questions or wish to discuss this matter, please contact Russell Wheat, legal counsel for the State Auditor, at 840 Helena Avenue, Helena, MT, 59601, (406)-444-2040 or, within Montana, (800) 332-6148. If an attorney represents you, please make any contacts with this office through your attorney.

POSSIBILITY OF DEFAULT

Failure to give notice or to advise of your demand for a hearing or informal procedure within 15 days, will result in the entry of a default order imposing the disciplinary sanctions against you and your license, without further notice to you, pursuant to 6.2.101, Administrative Rules of Montana and the Attorney General's Model Rule 10, 1.3.214.

DATED this 2 day of July, 2009.

MONICA LINDEEN
State Auditor and ex-officio
Commissioner of Securities and Insurance

By: 

Russell Wheat
Special Assistant Attorney General

CERTIFICATE OF SERVICE

I hereby certify the foregoing Notice of Agency Action was served by US mail, certified mail pre- paid on July 2, 2009, on the following:

Ronald Moschetta
Strasbourger Pearson Tulcin
Wolff Inc
600 Old Country
Garden City, NY 11530

Strasbourger Pearson Tulcin
Wolff Inc
600 Old Country
Garden City, NY 11530

Susan Paulson - Davis